

OSTER
Researching Services

12897 Colonial Dr. • Mt. Airy, Md. 21771
301-253-6040

RECORDATION NO. 20979

FILED

NOV 3 '97

12-57 PM

November 3, 1997

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recording with the Surface Transportation Board is the following document:

Memorandum of Loan Agreement and Security Agreement
Date: 10/31/97

The parties included in this agreement are as follows:

Lender: Central Bank
6701 N. Illinois
Fairview Heights, IL 62208

Debtor: Southern Illinois Railcar Company, L.L.C.
Executive Park Two
505 Buckeye Drive
Troy, IL 62294

Please record this agreement as a primary document. The filing fee of \$24 is enclosed. Thank you for your assistance.

Sincerely,

Mary Ann Oster

Mary Ann Oster
Research Consultant

Enclosures

RECEIVED
SURFACE TRANSPORTATION
BOARD

NOV 3 12 57 PM '97

Counter Parts - Mary Ann Oster

NOV 3 '97

12-57 PM

**MEMORANDUM OF
LOAN AGREEMENT AND SECURITY AGREEMENT**

THIS MEMORANDUM OF LOAN AGREEMENT AND SECURITY AGREEMENT (this "Memorandum") dated as of October 31, 1997, is made by and between CENTRAL BANK, an Illinois banking corporation, with an office at 6701 N. Illinois, Fairview Heights, Illinois 62208 (the "Bank"), and SOUTHERN ILLINOIS RAILCAR COMPANY, L.L.C., an Illinois limited liability company, with its chief executive office and principal place of business at Executive Park Two, 505 Buckeye Drive, Troy, Illinois 62294 (the "Borrower").

Borrower and Bank hereby state the following:

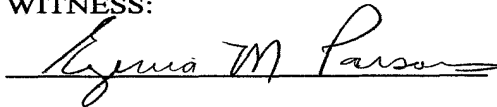
1. Borrower and Bank are parties to that certain Term Loan Agreement dated as of October 30, 1997 (the "Loan Agreement") and Security Agreement dated as of October 30, 1997 ("Security Agreement") (capitalized terms used herein and not otherwise defined shall have the meaning given in the Loan Agreement), whereby Bank loaned Borrower certain funds to facilitate the purchase of the covered hopper railcars more specifically identified on Exhibit A attached hereto and made a part hereof (the "Railcars").

2. Pursuant to the terms of the Loan Agreement, Borrower's obligations under the Loan Agreement, the Note and other Loan Documents are evidenced by and payable in accordance with the Note, and receive the benefits of the Loan Agreement.

3. Pursuant to the terms of the Loan Agreement and the Security Agreement, and to secure the payment and performance of any and all of Borrower's Obligations to Bank, Borrower granted to Bank a continuing, first priority security interest in and to, and chattel mortgage lien on, all of the Borrower's right, title and interest in and to certain collateral (the "Collateral"), to have and to hold all and every part of the Collateral unto the Bank, its successors and assigns, for its and their own use and benefit forever; such Collateral includes but is not limited to the Collateral described in Exhibit B attached.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WITNESS:



SOUTHERN ILLINOIS RAILCAR COMPANY, L.L.C.

By: 

Fred L. Parsons
President

WITNESS:

CENTRAL BANK

By: 

Name:
Title: SVP

SCHEDULE A

<u>Car Number</u>	<u>Lease Number</u>	<u>Subls. Number</u>
SIRX400226	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400227	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400229	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400236	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400238	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400247	SIRC/LLC/HLM	CHEM LME/LLC
SIRX400250	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400258	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400259	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400264	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400276	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400278	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400281	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400282	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400285	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400299	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400301	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400305	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400308	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400309	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400310	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400311	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400317	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400319	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400333	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400340	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400344	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400347	SIRC/LLC/HLM	CHEM LM3/LLC
SIRX400351	SIRC/LLC/HLM	CHEM LM2/LLC
	SIRC/LLC/HLM	CHEM LM2/LLC
	SIRC/LLC/HLM	CHEM LM2/LLC
	SIRC/LLC/HLM	CHEM LM2/LLC

SCHEDULE A

<u>Car Number</u>	<u>Lease Number</u>	<u>Subls. Number</u>	<u>Start Date</u>
SIRX400223	SIRC/LLC/HLM	IMPERIAL/LLC	08/13/96
SIRX400228	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400230	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400232	SIRC/LLC/HLM	IMPERIAL/LLC	08/14/96
SIRX400233	SIRC/LLC/HLM	IMPERIAL/LLC	08/13/96
SIRX400239	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400240	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400242	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400243	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400244	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400245	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400248	SIRC/LLC/HLM	IMPERIAL/LLC	09/15/96
SIRX400249	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400251	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400253	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400257	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400260	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400263	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400265	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400266	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400269	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400270	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400271	SIRC/LLC/HLM	IMPERIAL/LLC	08/11/96
SIRX400272	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400274	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400275	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400277	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400283	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400284	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400287	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400290	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400293	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400294	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400295	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400296	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400300	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400302	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400303	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400312	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400314	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400322	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400323	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400324	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400326	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400327	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96

SCHEDULE A

<u>Car Number</u>	<u>Lease Number</u>	<u>Subls. Number</u>	<u>Start Date</u>
SIRX400328	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400330	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX440332	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400334	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400335	SIRC/LLC/HLM	IMPERIAL/LLC	09/15/96
SIRX400336	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400337	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400338	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400339	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400341	SIRC/LLC/HLM	IMPERIAL/LLC	09/15/96
SIRX400342	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400343	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400345	SIRC/LLC/HLM	IMPERIAL/LLC	09/15/96
SIRX400346	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400348	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400349	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400352	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400353	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400354	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400355	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400356	SIRC/LLC/HLM	IMPERIAL/LLC	09/15/96
SIRX400357	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400358	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400359	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400360	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400361	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400362	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400363	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400365	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400366	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400367	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400368	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400369	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400370	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400371	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96
SIRX400372	SIRC/LLC/HLM	IMPERIAL/LLC	05/23/96

SCHEDULE A

<u>Car Number</u>	<u>Lease Number</u>	<u>Subls. Number</u>	<u>Start Date</u>
SIRX400224	SIRC/LLC/HLM	GOLDEN/LLC	03/14/96
SIRX400237	SIRC/LLC/HLM	GOLDEN/LLC	03/14/96
SIRX400273	SIRC/LLC/HLM	GOLDEN/LLC	02/06/96
SIRX400279	SIRC/LLC/HLM	GOLDEN/LLC	01/30/96
SIRX400280	SIRC/LLC/HLM	GOLDEN/LLC	07/05/96
SIRX400286	SIRC/LLC/HLM	GOLDEN/LLC	03/06/96
SIRX400288	SIRC/LLC/HLM	GOLDEN/LLC	03/14/96
SIRX400289	SIRC/LLC/HLM	GOLDEN/LLC	01/24/96
SIRX400291	SIRC/LLC/HLM	GOLDEN/LLC	01/30/96
SIRX400292	SIRC/LLC/HLM	GOLDEN/LLC	03/14/96
SIRX400297	SIRC/LLC/HLM	GOLDEN/LLC	03/14/96
SIRX400298	SIRC/LLC/HLM	GOLDEN/LLC	03/06/96
SIRX400306	SIRC/LLC/HLM	GOLDEN/LLC	03/06/96
SIRX400307	SIRC/LLC/HLM	GOLDEN/LLC	03/14/96
SIRX400313	SIRC/LLC/HLM	GOLDEN/LLC	01/30/96
SIRX400315	SIRC/LLC/HLM	GOLDEN/LLC	01/30/96
SIRX400316	SIRC/LLC/HLM	GOLDEN/LLC	03/06/96
SIRX400318	SIRC/LLC/HLM	GOLDEN/LLC	02/17/96
SIRX400320	SIRC/LLC/HLM	GOLDEN/LLC	02/06/96
SIRX400321	SIRC/LLC/HLM	GOLDEN/LLC	10/04/96
SIRX400325	SIRC/LLC/HLM	GOLDEN/LLC	01/25/96
SIRX400329	SIRC/LLC/HLM	GOLDEN/LLC	01/27/96
SIRX400331	SIRC/LLC/HLM	GOLDEN/LLC	01/27/96
SIRX400364	SIRC/LLC/HLM	GOLDEN/LLC	01/25/96

SCHEDULE A

<u>Car Number</u>	<u>Lease Number</u>	<u>Subls. Number</u>	<u>Original No.</u>
SIRX442795	SIRC/LLC	IMPER2/LLC	BM 003433
SIRX442801	SIRC/LLC	IMPER2/LLC	BM 003439
SIRX442809	SIRC/LLC	IMPER2/LLC	BM 005701
SIRX442810	SIRC/LLC	IMPER2/LLC	BM 005702
SIRX442811	SIRC/LLC	IMPER2/LLC	BM 005703
SIRX442812	SIRC/LLC	IMPER2/LLC	BM 005704
SIRX442813	SIRC/LLC	IMPER2/LLC	BM 005705
SIRX442814	SIRC/LLC	IMPER2/LLC	BM 005706
SIRX442815	SIRC/LLC	IMPER2/LLC	BM 005707
SIRX442816	SIRC/LLC	IMPER2/LLC	BM 005708
SIRX442817	SIRC/LLC	IMPER2/LLC	BM 005709
SIRX442818	SIRC/LLC	IMPER2/LLC	BM 005710
SIRX442819	SIRC/LLC	IMPER2/LLC	BM 005711
SIRX442820	SIRC/LLC	IMPER2/LLC	BM 005712
SIRX442821	SIRC/LLC	IMPER2/LLC	BM 005714
SIRX442822	SIRC/LLC	IMPER2/LLC	BM 005715
SIRX442823	SIRC/LLC	IMPER2/LLC	BM 005716
SIRX442824	SIRC/LLC	IMPER2/LLC	BM 005717
SIRX442825	SIRC/LLC	IMPER2/LLC	BM 005718
SIRX442826	SIRC/LLC	IMPER2/LLC	BM 005719
SIRX442761			
SIRX442828			
SIRX442829			
SIRX442867			
SIRX442832			
SIRX450000			
SIRX450004			
SIRX442840			
SIRX442841			
SIRX450009			
SIRX442843			
SIRX442844			
SIRX442761			
SIRX442847			
AEX4159			
SIRX450001			
SIRX442850			
SIRX442713			
SIRX442859			
SIRX400217			

STATE OF ILLINOIS)
)
COUNTY OF Madison) SS:

On this 31st day of October, 1997, before me, a Notary Public of the County and State aforesaid, personally appeared Fred L. Parsons, to me personally known, who being by me duly sworn, says that he is a managing member of Southern Illinois Railcar Company, L.L.C., an Illinois limited liability company, that said instrument was signed on behalf of said limited liability company by authority of its managing members, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

AS WITNESS my hand and notarial seal.



Janice A. Tweedy
Notary Public

My commission expires: February 23, 2000

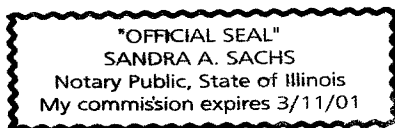
STATE OF ILLINOIS)
)
COUNTY OF Madison) SS:

On this 31 day of October, 1997, before me, a Notary Public of the County and State aforesaid, personally appeared Brad Rensch, to me personally known, who being by me duly sworn, says that (s)he is the Sr. V.P. of Central Bank, an Illinois banking corporation, that said instrument was signed on behalf of said bank by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

AS WITNESS my hand and notarial seal.

Sandra A. Sachs
Notary Public

My commission expires: 3/11/01



SCHEDULE B

1. Lease Agreement dated October 15, 1996 between Southern Illinois Railcar Company and Chemical Lime Company, a Texas corporation, as assigned by lessor to Borrower by assignment of even date herewith.
2. Lease Agreement dated January 7, 1997 between Southern Illinois Railcar Company and Golden Cat, a Division of Ralston Purina, a Missouri corporation, as assigned by lessor to Borrower by assignment of even date herewith.
3. Lease Agreement dated July 9, 1996 between Southern Illinois Railcar Company and Imperial Holly Corporation, a Texas corporation, as assigned by lessor to Borrower by assignment of even date herewith.